



County of Los Angeles  
**CHIEF EXECUTIVE OFFICE**

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(213) 974-1101  
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**WILLIAM T FUJIOKA**  
Chief Executive Officer

February 12, 2008

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

**DEPARTMENT OF HEALTH SERVICES: REQUEST TO  
ACCEPT COMPROMISE OFFERS OF SETTLEMENT  
(ALL SUPERVISORIAL DISTRICTS)  
(3 VOTES)**

**IT IS RECOMMENDED THAT YOUR BOARD:**

Authorize the Director of Health Services (Director) or his designee to accept the attached offers of compromise, pursuant to Section 1473 of the Health and Safety Code, to settle the following individual accounts for patients who received medical care at non-County facilities under the Trauma Center Service Agreement:

(1)	Account Number EMS 144	\$ 27,413
(2)	Account Number EMS 154	\$ 15,284
(3)	Account Number EMS 155	\$ 5,100
(4)	Account Number EMS 156	\$ 5,100
(5)	Account Number EMS 149	\$ 5,000
(6)	Account Number EMS 145	\$ 5,000
(7)	Account Number EMS 147	\$ 4,625
(8)	Account Number EMS 151	\$ 4,000
(9)	Account Number EMS 128	\$ 2,926
(10)	Account Number EMS 150	\$ 2,700

Board of Supervisors  
**GLORIA MOLINA**  
First District

**YVONNE B. BURKE**  
Second District

**ZEV YAROSLAVSKY**  
Third District

**DON KNABE**  
Fourth District

**MICHAEL D. ANTONOVICH**  
Fifth District

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The compromise offers of settlement for patient accounts (1) – (10) are recommended because the patients are unable to pay the full amount of charges and the compromise offers represent the maximum amount the Department was able to negotiate or was offered under the insurance policy or tort settlements involved in these cases.

The County has entered into a number of agreements with non-County medical facilities under which it pays for trauma care provided to eligible indigent patients at those facilities. This agreement allows the County, after it has made payment for a particular patient, to pursue recovery from third parties, who are financially responsible for such trauma care.

The best interests of the County would be served by the approval of these compromises, since it will enable DHS to maximize net recovery on these accounts.

### **Implementation of Strategic Plan Goal**

The recommended action will satisfy County Strategic Plan Goal #4, Fiscal Responsibility.

### **FISCAL IMPACT/FINANCING**

This will expedite the County's recovery of trauma funds totaling \$77,148.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

On January 8, 2002, the Board approved an ordinance granting the Director authority to reduce patient account liabilities when it is in the best interest of the County to do so. The ordinance was adopted by the Board on January 15, 2002.

On November 1, 2005, the Board approved a revised ordinance granting the Director authority to reduce, on an account specific basis, the amount of any liability owed to the County which relates to medical care provided by third parties for which the County is contractually obligated to pay, and related to which the County has subrogation or reimbursement rights. The revised ordinance was adopted by the Board on December 8, 2005.

Under County Code Chapter Section 2.76.046, the Director has the authority to reduce patient account liabilities by the greater of i) \$15,000, or ii) \$75,000 or 50 percent of the account balance, whichever is less. Any reduction exceeding the Director's authority requires Board approval.

The compromise of these accounts is not within the Director's authority, so the Director is requesting Board approval of these compromises.

Honorable Board of Supervisors  
February 12, 2008  
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**IMPACT ON CURRENT SERVICES (OR PROJECTS)**

All payments received will replenish the Los Angeles County Trauma Fund.

**CONCLUSION**

When approved, DHS requires three signed copies of the Board's action.

Respectfully submitted,



WILLIAM T FUJIOKA  
Chief Executive Officer

WTF:SRH  
SAS:AT:bjs

Attachments (10)

c: County Counsel  
Director and Chief Medical Officer, Department of Health Services

021208\_DHS\_Compromise Offers

# DATA FOR COMPROMISE SETTLEMENT

COUNTY OF LOS ANGELES  
DEPARTMENT OF HEALTH SERVICES

TRANSMITTAL No. 1  
DATE: February 12, 2008

Total Charges (Providing Facility)	\$274,127	Account Number	EMS 144
Amount Paid to Providing Facility	\$42,581	Service Type	Inpatient
Compromise Amount Offered	\$27,413	Date of Service	07/11/03-08/07/03
		% of Payment Recovered	64%

## JUSTIFICATION

The medical treatment to this patient was related to a work injury. As a result of this accident, the patient was treated at Holy Cross Medical Center and incurred total inpatient charges of \$274,127 for medical services rendered. The facility has received payment from the Los Angeles County Trauma Fund in the amount of \$42,581. The defense has settled the patient's claim via Compromise and Release; due to the liability issues, the defense forwarded the trauma provider's claim for Medical Fee Schedule review. The Explanation of Review came back with an allowance of \$40,442. Based on this review, the defense has now agreed to pay 10% of the provider's billed amount or \$27,413. **Plaintiff's attorney has refused to provide additional information concerning the financial terms of any settlement including attorney fees, payments to other lien holders and the patient.**

**DATA FOR COMPROMISE SETTLEMENT****COUNTY OF LOS ANGELES  
DEPARTMENT OF HEALTH SERVICES****TRANSMITTAL No. 2  
DATE: February 12, 2008**

<b>Total Charges (Providing Facility)</b>	\$67,242	<b>Account Number</b>	EMS 154
<b>Amount Paid to Providing Facility</b>	\$28,300	<b>Service Type</b>	Inpatient
<b>Compromise Amount Offered</b>	\$15,284	<b>Date of Service</b>	10/28/05-11/07/05
		<b>% of Payment Recovered</b>	54%

**JUSTIFICATION**

This patient was involved in an automobile versus automobile accident. As a result of this accident, the patient was treated at Huntington Memorial Hospital and incurred total inpatient charges of \$67,242 for medical services rendered. The facility has received payment from the Los Angeles County Trauma Fund in the amount of \$28,300. The patient's third-party claim has been settled for \$52,326 and his attorney is proposing the following disbursement of the proceeds:

<b>Disbursement</b>	<b>Total Claim</b>	<b>Proposed Settlement</b>	<b>Percent of Settlement (\$52,326)</b>
<b>Attorney fees</b>	\$20,000	\$16,667	31.85%
<b>Attorney cost</b>	\$0	\$0	0.00%
<b>Los Angeles County</b>	\$67,242	\$15,284	29.21%
<b>Other Lien Holders</b>	\$6,091	\$5,351	10.23%
<b>Patient</b>		\$15,024	28.71%
<b>Total</b>		\$52,326	100.00%

As stated in the Trauma Center Service Agreement, reimbursement to providers is for the hospital component of trauma services provided to eligible indigent patients.

**DATA FOR COMPROMISE SETTLEMENT****COUNTY OF LOS ANGELES  
DEPARTMENT OF HEALTH SERVICES****TRANSMITTAL No. 3  
DATE: February 12, 2008**

<b>Total Charges (Providing Facility)</b>	\$16,848	<b>Account Number</b>	EMS 155
<b>Amount Paid to Providing Facility</b>	\$5,100	<b>Service Type</b>	Inpatient
<b>Compromise Amount Offered</b>	\$5,100	<b>Date of Service</b>	07/03/06-07/03/06
		<b>% of Payment Recovered</b>	100%

**JUSTIFICATION**

This patient was involved in an automobile versus automobile accident. As a result of this accident, the patient was treated at California Hospital Medical Center and incurred total inpatient charges of \$16,848 for medical services rendered. The facility has received payment from the Los Angeles County Trauma Fund in the amount of \$5,100. The patient's third-party claim has been settled for \$57,000 and his attorney is proposing the following disbursement of the proceeds:

<b>Disbursement</b>	<b>Total Claim</b>	<b>Proposed Settlement</b>	<b>Percent of Settlement (\$57,000)</b>
<b>Attorney fees</b>	\$22,800	22,800	40.00%
<b>Attorney cost</b>	\$1,750	\$1,750	3.07%
<b>Los Angeles County</b>	\$16,848	\$5,100	8.95%
<b>Other Lien Holders</b>	\$21,458	\$21,458	37.65%
<b>Patient</b>		\$5,892	10.34%
<b>Total</b>		\$57,000	100.00%

As stated in the Trauma Center Service Agreement, reimbursement to providers is for the hospital component of trauma services provided to eligible indigent patients.

**DATA FOR COMPROMISE SETTLEMENT****COUNTY OF LOS ANGELES  
DEPARTMENT OF HEALTH SERVICES****TRANSMITTAL No. 4  
DATE: February 12, 2008**

<b>Total Charges (Providing Facility)</b>	\$27,450	<b>Account Number</b>	EMS 156
<b>Amount Paid to Providing Facility</b>	\$5,100	<b>Service Type</b>	Inpatient
<b>Compromise Amount Offered</b>	\$5,100	<b>Date of Service</b>	8/8/06-8/9/06
		<b>% of Payment Recovered</b>	100%

**JUSTIFICATION**

This patient was involved in an automobile versus automobile accident. As a result of this accident, the patient was treated at St. Francis Medical Center and incurred total inpatient charges of \$27,450 for medical services rendered. The facility has received payment from the Los Angeles County Trauma Fund in the amount of \$5,100. The patient's third-party claim has been settled for \$50,000 and his attorney is proposing the following disbursement of the proceeds:

<b>Disbursement</b>	<b>Total Claim</b>	<b>Proposed Settlement</b>	<b>Percent of Settlement (\$50,000)</b>
<b>Attorney fees</b>	\$12,500	\$12,000	24.00%
<b>Attorney cost</b>	\$320	\$0	0.00%
<b>Los Angeles County</b>	\$27,450	\$ 5,100	10.20%
<b>Other Lien Holders</b>	\$66,087	\$13,680	27.35%
<b>Patient</b>		\$19,220	38.44%
<b>Total</b>		\$50,000	100.00%

As stated in the Trauma Center Service Agreement, reimbursement to providers is for the hospital component of trauma services provided to eligible indigent patients.

**DATA FOR COMPROMISE SETTLEMENT****COUNTY OF LOS ANGELES  
DEPARTMENT OF HEALTH SERVICES****TRANSMITTAL No. 5  
DATE: February 12, 2008**

<b>Total Charges (Providing Facility)</b>	\$98,820	<b>Account Number</b>	EMS 149
<b>Amount Paid to Providing Facility</b>	\$33,000	<b>Service Type</b>	Inpatient
<b>Compromise Amount Offered</b>	\$5,000	<b>Date of Service</b>	7/22/06-7/31/06
		<b>% of Payment Recovered</b>	15%

**JUSTIFICATION**

This patient was involved in an automobile versus automobile accident. As a result of this accident, the patient was treated at Northridge Hospital Medical Center and incurred total inpatient charges of \$98,820 for medical services rendered. The facility has received payment from the Los Angeles County Trauma Fund in the amount of \$33,000. The patient's third-party claim has been settled for \$15,000 and his attorney is proposing the following disbursement of the proceeds:

<b>Disbursement</b>	<b>Total Claim</b>	<b>Proposed Settlement</b>	<b>Percent of Settlement (\$15,000)</b>
<b>Attorney fees</b>	\$5,000	\$5,000	33.33%
<b>Attorney cost</b>	\$0	\$0	0.00%
<b>Los Angeles County</b>	\$98,820	\$5,000	33.33%
<b>Other Lien Holders</b>	\$0	\$0	0.00%
<b>Patient</b>		\$5,000	33.33%
<b>Total</b>		\$15,000	100.00%

As stated in the Trauma Center Service Agreement, reimbursement to providers is for the hospital component of trauma services provided to eligible indigent patients.



**DATA FOR COMPROMISE SETTLEMENT****COUNTY OF LOS ANGELES  
DEPARTMENT OF HEALTH SERVICES****TRANSMITTAL No. 6  
DATE: February 12, 2008**

<b>Total Charges (Providing Facility)</b>	\$20,704	<b>Account Number</b>	EMS 145
<b>Amount Paid to Providing Facility</b>	\$9,900	<b>Service Type</b>	Inpatient
<b>Compromise Amount Offered</b>	\$5,000	<b>Date of Service</b>	9/3/06
		<b>% of Payment Recovered</b>	51%

**JUSTIFICATION**

This patient was involved in an automobile versus automobile accident. As a result of this accident, the patient was treated at Northridge Hospital Medical Center and incurred total inpatient charges of \$20,704 for medical services rendered. The facility has received payment from the Los Angeles County Trauma Fund in the amount of \$9,900. The patient's third-party claim has been settled for \$15,000 and his attorney is proposing the following disbursement of the proceeds:

<b>Disbursement</b>	<b>Total Claim</b>	<b>Proposed Settlement</b>	<b>Percent of Settlement (\$15,000)</b>
<b>Attorney fees</b>	\$5,000	\$4,050	27.00%
<b>Attorney cost</b>	\$ 685	\$0	0.00%
<b>Los Angeles County</b>	\$20,704	\$5,000	33.33%
<b>Other Lien Holders</b>	\$9,110	\$5,050	33.67%
<b>Patient</b>		\$ 900	6.00%
<b>Total</b>		\$15,000	100.00%

As stated in the Trauma Center Service Agreement, reimbursement to providers is for the hospital component of trauma services provided to eligible indigent patients.

**DATA FOR COMPROMISE SETTLEMENT****COUNTY OF LOS ANGELES  
DEPARTMENT OF HEALTH SERVICES****TRANSMITTAL No. 7  
DATE: February 12, 2008**

<b>Total Charges (Providing Facility)</b>	\$34,615	<b>Account Number</b>	EMS 147
<b>Amount Paid to Providing Facility</b>	\$23,400	<b>Service Type</b>	Inpatient
<b>Compromise Amount Offered</b>	\$4,625	<b>Date of Service</b>	10/11/06-10/16/06
		<b>% of Payment Recovered</b>	20%

**JUSTIFICATION**

This patient was involved in an automobile versus automobile accident. As a result of this accident, the patient was treated at St. Francis Medical Center and incurred total inpatient charges of \$34,615 for medical services rendered. The facility has received payment from the Los Angeles County Trauma Fund in the amount of \$23,400. The patient's third-party claim has been settled for \$15,000 and his attorney is proposing the following disbursement of the proceeds:

<b>Disbursement</b>	<b>Total Claim</b>	<b>Proposed Settlement</b>	<b>Percent of Settlement (\$15,000)</b>
<b>Attorney fees</b>	\$5,000	\$4,500	30.00%
<b>Attorney cost</b>	\$ 362	\$ 362	2.41%
<b>Los Angeles County</b>	\$34,615	\$4,625	30.83%
<b>Other Lien Holders</b>	\$3,853	\$1,650	11.00%
<b>Patient</b>		\$3,864	25.76%
<b>Total</b>		\$15,000	100.00%

As stated in the Trauma Center Service Agreement, reimbursement to providers is for the hospital component of trauma services provided to eligible indigent patients.

**DATA FOR COMPROMISE SETTLEMENT****COUNTY OF LOS ANGELES  
DEPARTMENT OF HEALTH SERVICES****TRANSMITTAL No. 8  
DATE: February 12, 2008**

<b>Total Charges (Providing Facility)</b>	\$22,079	<b>Account Number</b>	EMS 151
<b>Amount Paid to Providing Facility</b>	\$5,100	<b>Service Type</b>	Inpatient
<b>Compromise Amount Offered</b>	\$4,000	<b>Date of Service</b>	9/1/06-9/2/06
		<b>% of Payment Recovered</b>	78%

**JUSTIFICATION**

This patient was involved in an automobile versus automobile accident. As a result of this accident, the patient was treated at Northridge Hospital Medical Center and incurred total inpatient charges of \$22,079 for medical services rendered. The facility has received payment from the Los Angeles County Trauma Fund in the amount of \$5,100. The patient's third-party claim has been settled for \$15,000 and his attorney is proposing the following disbursement of the proceeds:

<b>Disbursement</b>	<b>Total Claim</b>	<b>Proposed Settlement</b>	<b>Percent of Settlement (\$15,000)</b>
<b>Attorney fees</b>	\$5,000	\$5,000	33.33%
<b>Attorney cost</b>	\$1,150	\$1,150	7.67%
<b>Los Angeles County</b>	\$22,079	\$4,000	26.67%
<b>Other Lien Holders</b>	\$7,629	\$1,381	9.20%
<b>Patient</b>		\$3,469	23.13%
<b>Total</b>		\$15,000	100.00%

As stated in the Trauma Center Service Agreement, reimbursement to providers is for the hospital component of trauma services provided to eligible indigent patients.

# DATA FOR COMPROMISE SETTLEMENT

COUNTY OF LOS ANGELES  
DEPARTMENT OF HEALTH SERVICES

TRANSMITTAL No. 9  
DATE: February 12, 2008

<b>Total Charges (Providing Facility)</b>	\$20,650	<b>Account Number</b>	EMS 128
<b>Amount Paid to Providing Facility</b>	\$2,926	<b>Service Type</b>	Inpatient
<b>Compromise Amount Offered</b>	\$2,926	<b>Date of Service</b>	7/04/03-7/04/03
		<b>% of Payment Recovered</b>	100%

## JUSTIFICATION

This patient was injured while visiting an amusement park, Hurricane Harbor at Magic Mountain. As a result of this accident, the patient was treated at Henry Mayo Newhall Memorial Hospital and incurred total inpatient charges of \$20,650 for medical services rendered. The facility has received payment from the Los Angeles County Trauma Fund in the amount of \$2,926. The patient's third-party claim has been settled for \$20,000 and his attorney is proposing the following disbursement of the proceeds:

<b>Disbursement</b>	<b>Total Claim</b>	<b>Proposed Settlement</b>	<b>Percent of Settlement (\$20,000)</b>
<b>Attorney fees</b>	\$8,000	\$3,240 (1)	16.20% (Pending further negotiation)
<b>Attorney cost</b>	\$8,621	\$9,621	48.11%
<b>Los Angeles County</b>	\$20,650	\$2,926	14.63%
<b>Other Lien Holders</b>	\$13,243	\$2,213 (1)	11.07% (Pending further negotiation)
<b>Patient</b>		\$2,000	10.00%
<b>Total</b>		\$20,000	93.65%

As stated in the Trauma Center Service Agreement, reimbursement to providers is for the hospital component of trauma services provided to eligible indigent patients.

(1) Patient's lawyer has indicated that his fees and payments to other lien holders are still open to negotiation.

**DATA FOR COMPROMISE SETTLEMENT****COUNTY OF LOS ANGELES  
DEPARTMENT OF HEALTH SERVICES****TRANSMITTAL No. 10  
DATE: February 12, 2008**

<b>Total Charges (Providing Facility)</b>	\$42,027	<b>Account Number</b>	EMS 150
<b>Amount Paid to Providing Facility</b>	\$7,960	<b>Service Type</b>	Inpatient
<b>Compromise Amount Offered</b>	\$2,700	<b>Date of Service</b>	7/6/02-7/9/02
		<b>% of Payment Recovered</b>	34%

**JUSTIFICATION**

This patient was involved in an automobile versus automobile accident. As a result of this accident, the patient was treated at Cedars Sinai Medical Center and incurred total inpatient charges of \$42,027 for medical services rendered. The facility has received payment from the Los Angeles County Trauma Fund in the amount of \$7,960. The patient's third-party claim has been settled for \$10,000 and his attorney is proposing the following disbursement of the proceeds:

<b>Disbursement</b>	<b>Total Claim</b>	<b>Proposed Settlement</b>	<b>Percent of Settlement (\$10,000)</b>
<b>Attorney fees</b>	\$3,334	\$3,334	33.34%
<b>Attorney cost</b>	\$ 200	\$ 200	2.00%
<b>Los Angeles County</b>	\$42,027	\$2,700	27.00%
<b>Other Lien Holders</b>	\$ 9,354	\$ 633	6.33%
<b>Patient</b>		\$ 3,133	31.33%
<b>Total</b>		\$10,000	100.00%

As stated in the Trauma Center Service Agreement, reimbursement to providers is for the hospital component of trauma services provided to eligible indigent patients.